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Attorneys for Defendant
SALLIE MAE, INC.

IN THE UNITED STATES DISTRICT COURT

FOR THE SOUTHERN DISTRICT OF CALIFORNIA

ANNISA MAYER, an individual, Plaintiff, vs. SALLIE MAE, INC., a corporation, Defendant.	Case No. 08 CV 0853IEG AJB DECLARATION OF JAMES M. AUSTIN IN SUPPORT OF DEFENDANT SALLIE MAE, INC'S MOTION TO DISMISS PLAINTIFF'S COMPLAINT FOR DAMAGES UNDER FED. R. CIV. P. 12(b)(6) [NO ORAL ARGUMENT PURSUANT TO LOCAL RULE] Hearing Date: October 14, 2008 Time: 10:30 a.m. Courtroom: 1

I, James M. Austin, declare as follows:

1. I am a Customer Advocate in the Customer Advocate Unit of Sallie Mae, Inc. ("Sallie Mae"). As such, I have personal knowledge of the facts and circumstances set forth below or have gained such knowledge of them from my personal examination of the business records of Sallie Mae maintained in the ordinary course of business. If called upon as a witness, I could and would competently testify thereto.

2. During the period 1997 through 1999, Annisa R. Mayer borrowed a total of $93,038.00 in student loans. Specifically, Ms. Mayer executed the following promissory notes:

a. Ms. Mayer executed a promissory note, dated August 10, 1997, for a loan with a principal amount of $12,000.00. Subsequently, on October 7, 1997, a representative from the University of California at Los Angles contacted Sallie Mae and requested that the loan amount be increased to $13,538.00.

b. Ms. Mayer executed a promissory note, dated August 10, 1997, for a loan with a principal amount of $18,500.00.

c. Ms. Mayer executed a promissory note, dated July 24, 1998, for a loan with a principal amount of $12,000.00.

d. Ms. Mayer executed a promissory note, dated August 21, 1998, for a loan with a principal amount of $18,500.00.

e. Ms. Mayer executed a promissory note, dated October 5, 1999, for a loan with a principal amount of $12,000.00.

f. Ms. Mayer executed a promissory note, dated October 5, 1999, for a loan with a principal amount of $18,500.00.

3. Sallie Mae began servicing each of Ms. Mayer's loans at the time she submitted each loan application for processing. Ms. Mayer's loan applications were processed on September 29, 1997; October 4, 1997; December 11, 1998; and November 8, 1999.

4. Ms. Mayer's loans went into default on January 24, 2005; January 25, 2005, March 09, 2005 and November 28, 2005, respectively.

5. Ms. Mayer's loans were not in default at the time Sallie Mae began servicing any of them.

6. The loans placed for collection with Eltman, Eltman & Cooper were the three loans with original principal balances of $12,000 each. Each of these loans were serviced by Sallie Mae from their inception.

7. At the time Ms. Mayer executed the three loans that were placed for collection with Eltman, Eltman & Cooper, Ms. Mayer either permanently resided in Los Angeles, California, or resided there while in school. Indeed, the permanent address provided by Ms. Mayer on the note executed on October 5, 1999 is an address located in Los Angeles, California. Further, the residence addresses while attending school provided by Ms. Mayer on the notes executed on July 24, 1998 and August 10, 1997 are addresses also located in Los Angeles, California. Redacted copies of the three promissory notes are attached hereto as Exhibit A.

8. Furthermore, all the loans obtained by Ms. Mayer, per her instructions, were disbursed to the University of California at Los Angeles, which is located in Los Angeles

California.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed this 4th day of August, 2008, at Wilkes-Barre, Pennsylvania.

James M. Austin

EXHIBIT A

TO DECLARATION OF JAMES M AUSTIN

TRUE COPY OF THE ORIGINAL

MBA LOANS[SM] FEMBA 2000

Tuition Loan Program 802-663-833

Call With Questions: 1-888-440-4MBA (4622)

Mail Applications To: Sallie Mae Servicing Corp. PO Box 59030 Panama City, FL 32412-9030

Lender: *Wells Fargo EFS c/o Norwest Bank* | City, ST: *Sioux Falls, SD* | Lender Code: *807217*

Section A: Student Applicant Section: Please complete all information in this section.

1. Please Check One: ■ MBA ☐ Executive MBA ☐ Other
2. Cosigned? Yes ☐ No ■
3. Loan Amount Requested $ 12,000
4. Full Name: Last MAYER First ANNISA MI R Jr./Sr.
5. Social Security Number [redacted]
6. Date of Birth (month/day/year) [redacted]
7. Permanent Home Street Address [redacted] City LOS ANGELES State CA Zip Code 90064-2412
8. Address While in School SAME AS ABOVE Apt # Post Office Box City State Zip Code
9. Driver's License Number / State of Issuance [redacted]
10. Home Phone [redacted]
11. Citizenship (Check One): US Citizen or National ■ Permanent Resident ☐ Foreign Student ☐ (Permanent Residents must submit a copy of the front and back of their INS card. Foreign Students must have a US Citizen or Permanent Resident cosigner and submit a copy of their student visa.)
12. Total Student Loan Education Debt (Do not include amount requested on this application.) Private $ ____ Federal $ 38,000 Other $ ____
13. Have you ever defaulted on a student loan? Yes ☐ No ■ (If yes, submit documentation regarding current status of the loan with your application.)
14. Academic period this loan will help fund (Month / Year) From: 9/99 To: 6/00
15. Work Phone [redacted]
16. Reference (Do not use cosigner.) Name: CESARE M. CREMONA
17. Reference's Permanent Address [redacted] LA CA 9002[redacted]
18. Reference's Home Phone [redacted]
19. Relationship FRIEND

Section B: Cosigner Information Section: Please complete all information in this section if applying with a U.S. Citizen or Permanent Resident cosigner.

20. Full Name Last First MI Jr./Sr.
21. Date of Birth (month/day/year)
22. Social Security Number
23. Current Street Address Apt # Post Office Box City State Zip Code
24. Home Phone ( )
25. How Long at Current Address years months
26. Gross Monthly Income $
27. Other Monthly Income: $ Source: Note: You do not have to reveal alimony, child support or maintenance income unless you wish it to be considered as a basis for loan repayment.
28. Monthly Housing Payment $ Own ☐ Rent ☐
29. Total Other Monthly Payments $
30. Employer's Name
31. How Long Employed years months
32. Work Phone ( ) –
33. Employer's Address
34. Reference: Nearest relative not living with you (Do not use borrower) Name:
35. Reference's Permanent Address
36. Reference's Home Phone ( ) –
37. Relationship
38. Banking Relationships Checking Account # Savings Account # Bank Name
39. Citizenship (Check One) US Citizen ☐ Permanent Resident ☐ (Permanent Residents must submit a copy of the front and back of their INS card)

YOU ARE NOT REQUIRED TO ADD YOUR SPOUSE AS A SECOND COSIGNER, however, if you want your spouse's income and debts to be considered in the loan decision please have him/her complete boxes 40-44 and sign below.

40. Full Name Last First MI Jr./Sr.
41. Date of Birth (month/day/year)
42. Social Security Number – –
43. Gross Monthly Income $
44. Total monthly payments $

Section C: Borrower and Cosigner(s) Signatures:

45. I/We have read the Promissory Note attached to this application. (You may call 1 888-440-4622 to speak with a MBA LOANS representative.) Promise to pay: I / We promise to pay the lender or any other holder of this loan all sums disbursed under the terms of this application, plus interest and all other charges, which may become due as provided for by the Promissory Note. The terms and conditions set forth in this application and the Promissory Note constitute the entire agreement between you and me. I / we declare that the information provided above is true and complete to the best of my/our knowledge and belief.

Signature of Borrower [signature] Date 10/5/99

Signature of Cosigner ____ Date ____

Signature of Second Cosigner (If you completed boxes 40-44) ____ Date ____

MARRIED WISCONSIN RESIDENTS: (Spousal consent is required below if your spouse is the above cosigner.) "I consent to the guarantee of payment by my spouse on the loan to the student above. By consenting I do not become obligated under this note, unless I sign as the second cosigner."

Signature of Spouse ____

Section D: School Section: Must be completed by an authorized school official.

UCLA STUDENT LOAN SERVICE

46. School: A-227 MURPHY HALL, BOX 951423 LOS ANGELES, CA 90095-1423 310/825-7520
47. School Code/Branch 001315
48. Authorized Loan Amounts and Disbursement Dates

	month/day/year	Amount
1st Disbursement	11/4/99	$ 4,000
2nd Disbursement	12/13/99	$ 4,000
3rd Disbursement	3/6/00	$ 4,000
4th Disbursement	—	$ —
Total Approved Amount		$ 12,000

49. Grade Level (Choose One) C — First Year - A, Second Year - B, Third Year - C, Fourth Year - D
50. Loan period (month/day/year) From: 9/30/99 To: 6/16/00
51. Enrollment Status: ☐ Full Time ☒ At Least Half Time ☐ Less than Half Time
52. Anticipated Graduation Date (month/year) 6/16/00
53. I hereby certify that the student named in Section A is accepted for enrollment or is enrolled and in good standing and making satisfactory progress in an educational program determined to be eligible for the Tuition Loan Program, that the student is eligible for the loan, and that the "Authorized Loan Amount" does not exceed the student's cost of education (minus other financial aid). I further certify that the School will, at the request of the loan holder or servicer, provide the loan holder or servicer with subsequent information regarding the student's whereabouts, that the institution will comply with all applicable policies and provisions, and that the information provided in Sections A, B, and D is true, complete and correct to the best of my knowledge and belief.

School Certification: I have read and agree with above paragraph. Certification Sent Electronically ☐

Signature of authorized school official: Sean A. Wallace Date 11/4/99

Print or type name and title: Sean A. Wallace FAA

Phone [redacted]

LENDER COPY (01/99)

TRUE COPY OF THE ORIGINAL

Tuition Loan Program

Lender: Norwest Bank
City, ST: Sioux Falls, SD
Lender Code: 807217

FE 20 802-663-833

1998-1999 Application and Promissory Note

Return application to:
MBA LOANS Program/Sallie Mae
P.O. Box 69012
Panama City, FL 32412-9012
888-440-4MBA

A. BORROWER SECTION

PLEASE COMPLETE ALL INFORMATION IN THIS SECTION. IF ALL INFORMATION IS NOT COMPLETED IN FULL, THE PROCESSING OF YOUR APPLICATION MAY BE DELAYED.

1. Last Name: Mayer First Name: Annisa MI: R
2. Social Security Number: [redacted]
3. Address While in School: [redacted], LA, City ST: CA Zip Code: 90067
4. Permanent Home Address: [redacted] City: Lancaster ST: CA Zip Code: 93536
5. Home Phone Number: [redacted]
6. Work Phone Number: [redacted]
7. Driver's License Number/State of Issuance: [redacted]
8. Date of Birth (Month/Day/Year): [redacted]
9. Citizenship (If you check the 2nd box, you must submit a copy of the front and back of your INS card. If you checked the 3rd box, you must submit a copy of your visa, and apply with a creditworthy US citizen cosigner.)
   - [X] U.S. citizen or National
   - [ ] Permanent Resident or Other Eligible Alien
   - [ ] International Student
10. The academic period this loan will help fund (Month/Year) From: 9/10/98 To: 6/99
11. Loan Amount Requested $ 12,000 .00
12. Total Student Education Loan Debt (Do not include the amount requested in this application.) Private $ 12,000 Federal $ 18,500 Other $
13. Are you applying with a cosigner? [ ] Yes [X] No
14. Have you ever defaulted on an education loan? (If yes, submit documentation regarding current status of the loan with your application.) [ ] Yes [X] No
15. Personal Bank Information: Bank Name (Please check the box for the type of account you have.) [X] Checking Account [ ] Savings Account [ ] Other Loans
16. References: You must provide two separate references with different U.S. addresses. The first reference should be a parent or legal guardian (if living). Both references must be completed fully.

	1.	2.
Name	Dennis G. Mayer	Julie Mallozzi
Permanent Address	[redacted]	[redacted]
City, State, Zip Code		
Area Code/Telephone		
Relationship to Borrower	FATHER	FRIEND

17. Signatures: I have read, understand and agree with the "Borrower's Certification" printed on the reverse side of this Application. Do not sign below without reading reverse side.

Borrower: Annisa R. Mayer Date: 7-24-98
Cosigner #1: Date:
Cosigner #2: Date:

NOTE: Your cosigner(s), if any, must also complete the attached Cosigner Application and submit it with this loan application. See important information on reverse side.

B. SCHOOL SECTION

THE FOLLOWING SECTION IS TO BE COMPLETED BY A SCHOOL OFFICIAL.

18. School Name: UCLA STUDENT LOAN SERVICE A-227 MURPHY HALL, BOX 951423 LOS ANGELES, CA 90095-1423 310/825-3529
19. School Code/Branch: 001315
20. Loan Period (Month/Day/Year) From: 10/1/98 To: 6/18/99
21. Enrollment Status (Check One.) [X] Full Time [ ] At Least Half Time [ ] Less Than Half Time
22. Anticipated Graduation Date (Month/Day/Year): 6/30/00
23. Grade Level: B
    Select from list below:
    - A - 1st year graduate
    - B - 2nd year graduate
    - C - 3rd year graduate
    - D - 4th year graduate
24. Authorized Loan Amounts and Disbursement Date(s)

	Amount	mm/dd/yy
1st Disbursement	$ 4000-	9/3/98
2nd Disbursement	$ 4000-	12/14/98
3rd Disbursement	$ 4000-	3/18/99
4th Disbursement	$	
Total Disbursements	$ 12,000	

25. SCHOOL CERTIFICATION: I have read, understand and agree with the "School Certification" printed on the reverse side of this Application.

Signature of Authorized School Official: [signature]
Print or Type Name and Title: ALEX RAMIREZ FINANCIAL AID COUNSELOR
Date: 12/2/98
[ ] Certification Sent Electronically

FOR INTERNAL USE ONLY
UUID:

LENDER COPY

Copyright 1998 Sallie Mae (Continued on reverse side)

[illegible] COPY OF THE ORIGINAL

In this Note the words "I", "me", "my" and "mine" mean the above signed borrower and cosigner(s), unless the language specifically refers to only one or the other. "You", "your" and "yours" means the lender as listed on the front of this application and the holder of this Promissory Note.

C. PROMISE TO PAY

I promise to pay to the order of the lender or to a subsequent holder, according to the terms below: the sum of the Loan Amount Requested to the extent it is advanced to me, or on my behalf, which includes an amount equal to the insurance premium described below in paragraph H. (together the "Loan Amount"); interest accrued or capitalized on the Loan Amount as described in this Promissory Note ("Note"); late charges as provided in this Note; and, in the event of default, costs of collection and reasonable attorneys' fees to the extent permitted by law.

D. DEFINITIONS

1. Interim Period - The Interim Period will begin on the date my loan is disbursed. If I have an outstanding loan under the MBA LOANS program for a loan period beginning prior to July 1, 1997, my Interim Period will end on and include the last day of the calendar quarter following the earlier of the dates as follows: (a) Six months after I graduate or drop below half time enrollment at an eligible MBA LOANS school, or (b) Three years after the date of my first disbursement of any Tuition Loan Program loans. If I have no such outstanding loan, my Interim Period will end six months after I graduate or drop below half time enrollment at an eligible MBA LOANS school.
2. Repayment Period - The "Repayment Period" will begin on the day after the Interim Period ends. If I have an outstanding loan under the MBA LOANS program for a loan period beginning prior to July 1, 1997 and my loan balance is $15,000 or less, my Repayment Period will continue for no more than 144 months. If I have no such loan or my loan balance exceeds $15,000, my Repayment Period may continue for no more than 180 months.
3. Statement Period - I, the above signed borrower, will receive statements on my loan at the address shown on your records (see paragraph L, Notices). The period of time covered by a statement is called a "Statement Period". During the Interim Period, I will receive quarterly interest statements on my loan covering Statement Periods beginning on the first day of each January, April, July and October. During the Repayment Period I will receive monthly statements on my loan. The monthly statements will cover Statement Periods beginning on the first day of the Repayment Period and on the same day of each following month.

E. INTEREST

1. Accrual of Interest - Interest will accrue from the date of disbursement until payment in full at the Variable Rate described in paragraph E.2 below.
2. Variable Rate - During the Interim Period, the Variable Rate is the annual rate equal to 3.25% plus the Current Index, rounded to the nearest one-eighth (.125) of 1%. During the Repayment Period, the Variable Rate is the annual rate equal to either 3.25% or 3.4% (depending on my school) plus the Current Index, rounded to the nearest one-eighth (.125) of one percent. The Variable Rate will change quarterly on the first day of each January, April, July and October (the "Change Date(s)") if the Current Index changes. The "Current Index" for any calendar quarter beginning on a Change Date (or for any shorter period beginning on a disbursement date and ending on the first Change Date) is the previous calendar quarter's average of the Index rounded to the nearest one-hundredth (.01) of 1%. The Index is the rate published weekly in The Wall Street Journal, "Credit Markets" section, in the table that quotes the result, as the "bond equivalent" rate, of the most recent auction of the 13-Week U.S. Treasury Bills. If the Index is no longer available, you will choose a comparable substitute. In no event will the Variable rate exceed the maximum rate allowed by law.

F. TERMS OF REPAYMENT

1. Interim Period - I am not required to make payments during the Interim Period. You will add unpaid accrued interest to the principal balance of the loan at the commencement of the Repayment Period.
2. Repayment Period Statements - I will make consecutive monthly payments during the Repayment Period in the amounts and on or before the payment due dates shown on my monthly statements until I have paid all of the principal and interest and any other charges I may owe under this Note.
3. Standard Repayment Terms - Subject to the terms of paragraph F.4., I will repay my loan in consecutive monthly installments of principal and interest, calculated to equal the amount necessary to amortize the unpaid principal and interest at the Variable Rate then in effect over the number of months remaining in the Repayment Period with the payment amount changing as follows: (a) If I have an outstanding loan under the MBA LOANS program for a loan period beginning prior to July 1, 1997, my payment amount will change each Change Date, or (b) If I do not have any such loan, my payment amount will change in the month following the month of each Change Date.
4. Graduated Repayment Option - I may choose a graduated repayment option. If I convert to this option, I will notify you in writing.
5. Amounts Owing at the End of the Repayment Period - Since interest accrues daily upon the unpaid principal balance of my loan, if I make payments after my payment due dates, I may owe additional principal and interest and late charges at the end of the Repayment Period. In such case, I shall pay the additional amounts and you will increase the amount of my last monthly payment to the amount necessary to repay my loan in full.
6. Minimum Repayment - Notwithstanding paragraphs F.3. and F.4., I agree to pay at least $600.00 each year ($50 per month) (principal and/or interest) or the unpaid balance, whichever is less.
7. Payments - If I have an outstanding loan under the MBA LOANS program for a loan period beginning prior to July 1, 1997, my payments will be applied first to accrued interest, then to principal, and then to late charges. If I do not have any such loan, my payments will be applied first to late charges, then to accrued interest and the remainder to principal.

G. LATE CHARGES

I will pay a late charge if I fail to make any part of an installment payment within 15 days after it becomes due. A late charge may not exceed $5.00 or 5% of the installment, whichever amount is greater.

H. INSURANCE PREMIUM

1. Insurance Premium - You will charge me and I will pay an amount equal to the insurance premium which you will pay to HEMAR Insurance Corporation of America (HICA). The premium will be equal to 6% of the Loan Amount Requested to the extent it is approved. If I do not have a cosigner, I will also pay an additional 3% or 4% (depending on my school) of my loan balance (principal plus capitalized interest) at the beginning of the Repayment Period, and this 4% may be adjusted to no more than 7%, at the insurer's discretion, based upon performance of other borrowers under notes insured by the insurer and, if permitted by law, upon the approval of the applicable insurance commissioner.
2. Deducted from Disbursements - At the time you issue any disbursement, you will deduct 6%, an amount equal to the insurance premium, from the disbursement. I will not be entitled to any reimbursement of the premium after I cash my disbursement check, or if funds are transmitted electronically, 60 days after the funds are disbursed to my school.
3. Added to the Principal - If I do not have a cosigner, I will pay you an additional 3% or 4% as described above in paragraph H.1. either throughout the Repayment Period or upon an event described in paragraph J. below, whichever is earlier. This amount will be added to my loan balance at the beginning of the Repayment Period and will be identified on my Disclosure Statement.

I. RIGHT TO PREPAY

I have the right to prepay all or any part of my loan at any time without penalty.

J. WHOLE LOAN DUE

The whole outstanding principal balance, accrued interest, and all other amounts payable to you under the terms of this Note are due and payable at once and you will cease to make any further disbursements to me, if:

1. I fail to make any monthly payment to you when due ("default"); or
2. Any payment has not reached you within 15 days after it is due; or
3. I fail to notify you of any change in my name, address, telephone number, school enrollment status, or the change in the status of the cosigner (i.e., death, total disability or bankruptcy) within 10 days after a change occurs; or
4. I break any of my other promises in this Note; or
5. Any bankruptcy proceeding is begun by or against me, or I assign any of my assets for the benefit of my creditors; or
6. I make any false written statement in applying for this loan or at any time during the Interim or Repayment Periods; or
7. I die or the cosigner dies; or
8. I am in default on any loans I may already have with you, or on any loans I may have with you in the future.

Following any of the above events, you will have all rights the law allows, including the right to give me notice that the whole outstanding principal balance, accrued interest, and all other amounts payable to you under this Promissory Note, are due and payable immediately. My failure to receive a coupon book or a statement does not relieve me of my responsibility and obligation of making my required loan payments in accordance with the terms and conditions of this Note. You may report my payment history to credit reporting agencies. If any of the listed items occurs, I will be required to pay interest on this loan accruing afterwards at the same rate of interest applicable to this loan prior to such event. The interest rate will be subject to adjustment in the same manner as before.

K. COLLECTION COSTS

I agree to pay you collection costs permitted by law, including attorneys' fees and court costs, which you incur in enforcing the terms of this Note if I am in default.

L. NOTICES

1. I will send written notice to you, or any subsequent holder of this Note, within 10 days after any change in my name, address, or my school enrollment status.
2. Any notice required to be given to me by you will be effective when mailed by first-class mail to the latest address you have for me.
3. The lender and/or any assignee of this Note may report the status of this loan to the school identified in Section B above and to any credit bureau(s).
4. CALIFORNIA RESIDENTS ONLY: A married applicant may apply for a separate account. MAINE RESIDENTS ONLY: Consumer reports (credit reports) may be obtained in connection with this application. If I request 1) I will be informed whether or not consumer reports were obtained, and 2) if reports were obtained, I will be informed of the names and addresses of the consumer reporting agencies (credit bureaus) that furnished the reports. NEW YORK RESIDENTS ONLY: A consumer credit report may be requested in connection with updates, renewals or extensions of any credit as a result of this application. If I subsequently ask for this information, I will be informed whether or not such a report was requested and, if so, the name and address of the agency that furnished the report. OHIO RESIDENTS ONLY: The Ohio laws against discrimination require that all creditors make credit equally available to all credit-worthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law. WISCONSIN RESIDENTS ONLY: For married Wisconsin residents, my signature confirms that this loan obligation is being incurred in the interest of my marriage or family. No provision of any marital property agreement (pre-marital agreement), unilateral statement under Section 766.59 of the Wisconsin Statutes or court decree under Section 766.70 adversely affects the interest of the lender unless the lender, prior to the time that the loan is approved, is furnished with a copy of the marital property agreement, a statement, a decree or has actual knowledge of the adverse provision. If the loan for which I am applying is granted, I will notify you if I have a spouse who needs to receive notification that credit has been extended to me.

M. ADDITIONAL AGREEMENTS

1. The proceeds of this loan will be used only for the educational expense of the student listed at the school listed above. I understand that when you accept this signed Note, you are not agreeing to lend me money and that there will be no such agreement until the time the loan is actually disbursed. You have the right to lend an amount less than the Loan Amount Requested or to accept or reject my application. I will be required to repay only the amount you actually lend to me.
2. If this Note is assigned, the assignee will become the owner of this Note and as my creditor will have all the rights of the original lender to enforce this Note against me.
3. I understand that you are located in South Dakota and this Note will be entered into in South Dakota. Consequently, the provisions of this Note will be governed by federal laws and the laws of South Dakota, without regard to conflict of law rules.
4. Upon receipt of the Disclosure Statement, I will review it and if I am not satisfied with the terms of my loan as approved, I may cancel this Note and all disbursements. To cancel this Note, I will contact you within three days of receipt by me of the loan check and I will not cash any loan checks, or if funds are transmitted electronically, I will instruct my school, within three days of receipt by me of the Disclosure Statement, to return the funds to you.
5. I waive any notice of dishonor, notice of protest, presentment, demand for payment, and all other notices or demands in connection with this Note, and consent to any and all extensions, renewals, or releases of any party liable upon this loan or any other loans I have outstanding under the program, or waiver or modification that may be granted by you, all without affecting or releasing the borrower or the cosigner(s) from such loans.
6. If any provision of this Note is held invalid or unenforceable, that provision shall be considered omitted from this Note without affecting the validity or enforceability of the remainder of this Note.
7. Any provision of this Note may be modified if jointly agreed upon in writing by you and me. Any modification will not affect the validity or enforceability of the remainder of this Note.
8. I understand that this loan is an educational loan and is made under a program which is funded in part by non-profit organizations, including the school, and as such, is not dischargeable in bankruptcy, except pursuant to 11 U.S. Code 523(a)8.
9. I acknowledge that I have received an exact copy of this Note.
10. I may not assign this Note or any of its benefits or obligations. You may assign this Note at any time. The obligations of this Note will be binding on my estate.
11. By accepting past due payments you do not waive or affect any right to accelerate this Note. Your failure to exercise any right hereunder does not constitute a waiver thereof. All waivers must be in writing.

N. BORROWER'S CERTIFICATION

I declare that the following is true and correct: I, the borrower, certify that the information contained in the "Borrower" section of this Application and Promissory Note is true, complete and correct to the best of my knowledge and belief and is made in good faith, that I am eligible for this loan and that I will repay it according to the terms of this Note. I understand and agree that my lender will be as listed on the front of this application. I hereby authorize the school to pay to the lender any refund which may be due me up to the amount of this loan. I certify that the proceeds of this loan will be used for educational expenses at the school named for the loan period stated on the Note. I further authorize any school that I may attend to release to HICA, the lending institution, subsequent holder, U.S. Department of Education, or their agents or guarantor, any requested information pertinent to this loan (e.g., employment, enrollment status, current address). I also authorize HICA, the lender, subsequent holder, their agent or guarantor to check my credit and employment history, for this loan and for future loans that may be offered to me, answer questions about their credit experience with me, and to release any information gathered in the credit review process. For the purpose of learning my current address and telephone number, I authorize HICA, the lender, subsequent holder, their agent or guarantor to release information and make inquiries to the individuals I have listed on this Application as references. I further authorize any lender or holder of any of my outstanding educational loans to release any information on any of my outstanding educational loans to the school identified in Section B above, and to schools I have attended, to any other lender or holder of any of my educational loans, and to members of my immediate family unless I submit written directions otherwise. I understand that I must immediately repay any funds that I receive which cannot reasonably be attributed to meeting my educational expenses related to attendance at the school named on the Note for the loan period requested. At my lender's option, I understand that my lender may either electronically transmit funds to the school to be applied to my account or if any lender issues check(s), I authorize my lender to issue a check made payable to me, or jointly payable to me and the school, and send it to the school. If funds are electronically transmitted, I hereby authorize the school to transfer the funds to my student account at the school. I fully understand that failure to complete the educational program undertaken by me/the student does not relieve me of any obligation of this promissory note. I also certify the following: I have read the materials explaining the loan program that have been provided to me; I have read, understand, and agree to the provisions of the program, my responsibilities and my rights under this program, the terms of this Note and this "Borrower's Certification" and that the program is funded in part by non-profit organizations.

O. NOTICE TO COSIGNER(S) AND WAIVER

1. For the purposes of this notice, the words "you" and "your" refer to the cosigner(s), not the lender. You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility. You may have to pay up to the full amount of this debt if the borrower does not pay. You may also have to pay late charges and/or collection costs, which increase this amount. The lender can collect this debt from you without first trying to collect from the borrower. The lender can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, that fact may become a part of your credit record. This notice is not the contract that makes you liable for the debt.
2. You hereby waive all your defenses to this Note based on suretyship.

P. SCHOOL CERTIFICATION

For the purpose of this certification, the words "I" and "me" refer to the School Official, not the borrower. I hereby certify that the student named in Section A is accepted for enrollment or is enrolled and in good standing and making satisfactory progress in an educational program determined to be eligible for the MBA LOANS℠ Program, that the student is eligible for the loan, and that the "Authorized Loan Amount" does not exceed the student's cost of education (minus other financial aid). I further certify that the School will, at the request of the loan holder or servicer, provide the loan holder or servicer with subsequent information regarding the student's whereabouts, that the institution will comply with all applicable policies and provisions, and that the information provided in Sections A and B is true, complete and correct to the best of my knowledge and belief.

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TRUE COPY OF THE ORIGINAL

Tuition Loan Program[SM] (TLP)

Lender: Norwest Bank
City, ST: Sioux Falls, SD
Lender Code: 810459

1997-1998 Application and Promissory Note

Return application to:
MBA LOANS Program/Sallie Mae
P.O. Box 59012
Panama City, FL 32412-9012
888-440-4MBA

A. BORROWER

1. Last Name: Mayer, First Name: Annisa, MI: R.
2. Social Security Number: [redacted]
3. Address While in School: [redacted], City: Los Angeles, ST: CA, Zip Code: 90024
4. Permanent Home Address: [redacted] City: Lancaster, ST: CA, Zip Code: 93536
5. Home Phone Number: ([redacted]
6. Work Phone Number: [redacted]
7. Driver's License Number/State of Issuance: [redacted] CA
8. Date of Birth (Month/Day/Year): [redacted]
9. Citizenship (If you check the 2nd box, you must submit a copy of the front and back of your INS card. If you checked the 3rd box, you must submit a copy of your visa. If you checked either box 2 or 3, you must also apply with a credit-worthy US Citizen cosigner.)
   - [X] U. S. Citizen or National
   - [ ] Permanent Resident or Other Eligible Alien
   - [ ] Foreign Student
10. The academic period this loan will help fund (Month/Year): From: 9/97 To: 6/98
11. Loan Amount Requested: $ 12,000.00
12. Total Student Education Loan Debt (Do not include the amount requested in this application.) Private $ ______ Federal $ ______ Other $ ______
13. Are you applying with a cosigner? [ ] Yes [X] No
14. Have you ever defaulted on an education loan? (If yes, submit documentation regarding current status of the loan with your application.) [ ] Yes [X] No
15. Personal Bank Information: Bank Name: Bank of America (Please check the box for the type of account you have.) [X] Checking Account [ ] Savings Account [ ] Other Loans
16. References: You must provide two separate references with different U.S. addresses. The first reference should be a parent or legal guardian (if living). Both references must be completed fully.

	1.	2.
Name	Dennis G. Mayer	Julie Mallozzi
Permanent Address	[redacted]	[redacted]
City, State, Zip Code		
Area Code/Telephone		
Relationship to Borrower	Father	Friend

17. Signatures: I have read, understand and agree with the "Borrower's Certification" printed on the reverse side of this Application. Do not sign below without reading reverse side.

Borrower: Annisa R. Mayer Date: Aug 10, 1997
Cosigner #1: ______ Date: ______
Cosigner #2: ______ Date: ______

NOTE: Your cosigner(s), if any, must also complete the attached Cosigner Application and submit it with this loan application. See important information on reverse side.

B. SCHOOL

THE FOLLOWING SECTION B, ITEMS 18 - 25 ARE TO BE COMPLETED BY A SCHOOL OFFICIAL.

18. School Name: UCLA STUDENT LOAN SERVICES, A-227 MURPHY HALL, BOX 951423, LOS ANGELES, CA 90095-1423, 310/825-7528
19. School Code/Branch: 001315
20. Loan Period (Month/Day/Year): From: 9-25-97 To: 6-19-98
21. Enrollment Status (Check one.) [X] Full Time [ ] At Least Half Time [ ] Less Than Half Time
22. Anticipated Graduation Date (Month/Day/Year): 6-30-00
23. Grade Level: A
   Select from list below:
   A - 1st year graduate
   B - 2nd year graduate
   C - 3rd year graduate
   D - 4th year graduate
24. Authorized Loan Amounts and Disbursement Date(s)

	Amount	mm/dd/yy
1st Disbursement	$ 4,000	9/2/97
2nd Disbursement	$ 4,000	12/15/97
3rd Disbursement	$ 4,000	3/9/98
4th Disbursement	$	/ /
Total Disbursements	$	

25. SCHOOL CERTIFICATION: I have read, understand and agree with the "School Certification" printed on the reverse side of this Application.

Signature of Authorized School Official: Ke Donovan
Print or Type Name and Title: Kevin Donovan, FA Counselor
Date: 9-19-97 [ ] Certification Sent Electronically

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LENDER COPY - SUBMIT FOR PROCESSING

[redacted] OF THE ORIGINAL

In this Note the words "I", "me", "my" and "mine" mean the above signed borrower and cosigner(s), unless the language specifically refers to only one or the other. "You", "your" and "yours" means the lender as listed on the front of this application and the holder of this Promissory Note.

C. PROMISE TO PAY

I promise to pay to the order of the lender or to a subsequent holder, according to the terms below: the sum of the Loan Amount Requested to the extent it is advanced to me, or on my behalf, which includes an amount equal to the insurance premium described below in paragraph H. (together the "Loan Amount"); interest accrued or capitalized on the Loan Amount as described in this Promissory Note ("Note"); late charges as provided in this Note; and, in the event of default, costs of collection and reasonable attorneys' fees to the extent permitted by law.

D. DEFINITIONS

1. Interim Period - The Interim Period will begin on the date my loan is disbursed. If I have an outstanding loan under the MBA LOANS program for a loan period beginning prior to July 1, 1997, my Interim Period will end on and include the last day of the calendar quarter following the earlier of the dates listed below. If I have no such outstanding loan, my Interim Period will end on the earlier of the dates as follows: (a) Six months after I graduate or drop below half time enrollment at an eligible MBA LOANS school; or (b) Three years after the date of my first disbursement of any Tuition Loan Program loan(s).
2. Repayment Period - The "Repayment Period" will begin on the day after the Interim Period ends. If I have an outstanding loan under the MBA LOANS program for a loan period beginning prior to July 1, 1997 and my loan balance is $15,000 or less, my Repayment Period will continue for no more than 144 months. If I have no such loan or my loan balance exceeds $15,000, my Repayment Period may continue for no more than 180 months.
3. Statement Period - I, the above signed borrower will receive statements on my loan at the address shown on your records (see paragraph L. Notices). The period of time covered by a statement is called a "Statement Period". During the Interim Period, I will receive quarterly interest statements on any loan covering Statement Periods beginning on the first day of each January, April, July and October. During the Repayment Period I will receive monthly statements on my loan. The monthly statements will cover Statement Periods beginning on the first day of the Repayment Period and on the same day of each following month.

E. INTEREST

1. Accrual of Interest - Interest will accrue from the date of disbursement until payment in full at the Variable Rate described in paragraph E.2. below.
2. Variable Rate - During the Interim Period, the Variable Rate is the annual rate equal to 3.25% plus the Current Index, rounded to the nearest one-eighth (.125) of 1%. During the Repayment Period, the Variable Rate is the annual rate equal to either 3.25% or 3.4% (depending on my school) plus the Current Index, rounded to the nearest one-eighth (.125) of one percent. The Variable Rate will change quarterly on the first day of each January, April, July and October (the "Change Date(s)") if the Current Index changes. The "Current Index" for any calendar quarter beginning on a Change Date (or for any shorter period beginning on a disbursement date and ending on the first Change Date) is the previous calendar quarter's average of the Index rounded to the nearest one-hundredth (.01) of 1%. The Index is the rate published weekly in The Wall Street Journal, "Credit Markets" section, in the table that quotes the result, as the "bond equivalent" rate, of the most recent auction of the 13-Week U.S. Treasury Bills. If the Index is no longer available, you will choose a comparable substitute. In no event will the variable rate exceed the maximum rate allowed by law.

F. TERMS OF REPAYMENT

1. Interim Period - I am not required to make payments during the Interim Period. You will add unpaid accrued interest to the principal balance of the loan at the commencement of the Repayment Period.
2. Repayment Period Statements - I will make consecutive monthly payments during the Repayment Period in the amounts and on or before the payment due dates shown on my monthly statements until I have paid all of the principal and interest and any other charges I may owe under this Note.
3. Standard Repayment Terms - Subject to the terms of paragraph F.4., I will repay my loan in consecutive monthly installments of principal and interest calculated to equal the amount necessary to amortize the unpaid principal and interest at the Variable Rate then in effect over the number of months remaining in the Repayment Period with the payment amounts changing as follows: (a) If I have an outstanding loan under the MBA LOANS program for a loan period beginning prior to July 1, 1997, my payment amount will change each Change Date, or (b) If I do not have any such loan, my payment amount will change in the month following the month of each Change Date.
4. Graduated Repayment Option - I may choose a graduated repayment option if I consent to this option. I will notify you in writing.
5. Amounts Owing at the End of the Repayment Period - Since interest accrues daily upon the unpaid principal balance of my loan, if I make payments after my payment due dates, I may owe additional principal and interest and late charges at the end of the Repayment Period. In such case, I shall pay the additional amounts and you will increase the amount of my last monthly payment to the amount necessary to repay my loan in full.
6. Minimum Repayment - Notwithstanding paragraphs F.3. and F.4., I agree to pay at least $600.00 each year (principal and/or interest) or the unpaid balance, whichever is less.
7. Payments - If I have an outstanding loan under the MBA LOANS program for a loan period beginning prior to July 1, 1997, my payments will be applied first to accrued interest, then to principal, and the remainder to late charges. If I do not have any such loan, my payments will be applied first to late charges, then to accrued interest and the remainder to principal.

G. LATE CHARGES

I will pay a late charge if I fail to make any part of an installment payment within 15 days after it becomes due. A late charge may not exceed $5.00, or 5% of the installment, whichever amount is greater.

H. INSURANCE PREMIUM

1. Insurance Premium - You will charge me and I will pay an amount equal to the insurance premium which you will pay to HEMAR Insurance Corporation of America (HICA). The premium will be equal to 6% of the Loan Amount Requested to the extent it is approved. If I do not have a cosigner, I will also pay an additional 3% or 4% (depending on my school) of my loan balance (principal plus capitalized interest) at the beginning of the Repayment Period, and this may be adjusted to no more than 7%, at the insurer's discretion, based upon performance of other borrowers under notes insured by the insurer and, if permitted by law, upon the approval of the applicable insurance commissioner.
2. Deducted from Disbursements - At the time you issue any disbursement, you will deduct 6%, an amount equal to the insurance premium, from the disbursement. I will not be entitled to any reimbursement of the premium after I cash my disbursement check, or if funds are transmitted electronically, 60 days after the funds are disbursed to my school.
3. Added to the Principal - If I do not have a cosigner, I will pay you an additional 3% or 4% as described above in paragraph H.1. either throughout the Repayment Period or upon an event described in paragraph J. below, whichever is earlier. This amount will be added to my loan balance at the beginning of the Repayment Period and will be identified on my Disclosure Statement.

I. RIGHT TO PREPAY

I have the right to prepay all or any part of my loan at any time without penalty.

J. WHOLE LOAN DUE

The whole outstanding principal balance, accrued interest, and all other amounts payable to you under the terms of this Note are due and payable at once and you will cease to make any further disbursements to me, if:

1. I fail to make any monthly payment to you when due ("default"); or
2. Any payment has not reached you within 15 days after it is due; or
3. I fail to notify you of any change in my name, address, telephone number, school enrollment status, or the change in the status of the cosigner (i.e., death, total disability or bankruptcy) within 10 days after a change occurs; or
4. I break any of my other promises in this Note; or
5. Any bankruptcy proceeding is begun by or against me, or I assign any of my assets for the benefit of my creditors; or
6. I make any false written statement in applying for this loan or at any time during the Interim or Repayment Periods; or
7. I die or the cosigner dies; or
8. I am in default on any loans I may already have with you, or on any loans I may have with you in the future.

Following any of the above events, you will have all rights the law allows, including the right to give me notice that the whole outstanding principal balance, accrued interest, and all other amounts payable to you under this Promissory Note, are due and payable immediately. My failure to receive a coupon book or a statement does not relieve me of my responsibility and obligation of making my required loan payments in accordance with the terms and conditions of this Note. You may report my payment history to credit reporting agencies. If any of the listed items occurs, I will be required to pay interest on this loan accruing afterwards at the same rate of interest applicable to this loan prior to such event. The interest rate will be subject to adjustment in the same manner as before.

K. COLLECTION COSTS

I agree to pay you collection costs permitted by law, including attorneys' fees and court costs, which you incur in enforcing the terms of this Note if I am in default.

L. NOTICES

1. I will send written notice to you, or any subsequent holder of this Note, within 10 days after any change in my name, address, or my school enrollment status.
2. Any notice required to be given to me by you will be effective when mailed by first-class mail to the latest address you have for me.
3. The lender and/or any assignee of this Note may report the status of this loan to the school identified in Section B above and to any credit bureau(s).
4. CALIFORNIA RESIDENTS ONLY: A married applicant may apply for a separate account. MAINE RESIDENTS ONLY: Consumer reports (credit reports) may be obtained in connection with this application. If I request 1) I will be informed whether or not consumer reports were obtained, and 2) if reports were obtained, I will be informed of the names and addresses of the consumer reporting agencies (credit bureaus) that furnished the reports. NEW YORK RESIDENTS ONLY: A consumer credit report may be requested in connection with updates, renewals or extensions of any credit as a result of this application. If I subsequently ask for this information, I will be informed whether or not such a report was requested and, if so, the name and address of the agency that furnished the report. OHIO RESIDENTS ONLY: The Ohio laws against discrimination require that all creditors make credit equally available to all credit-worthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law. WISCONSIN RESIDENTS ONLY: For married Wisconsin residents, my signature confirms that this loan obligation is being incurred in the interest of my marriage or family. No provision of any marital property agreement (pre-marital agreement), unilateral statement under Section 766.59 of the Wisconsin Statutes or court decree under Section 766.70 adversely affects the interest of the lender unless the lender, prior to the time that the loan is approved, is furnished with a copy of the marital property agreement, a statement, a decree or has actual knowledge of the adverse provision. If the loan for which I am applying is granted, I will notify you if I have a spouse who needs to receive notification that credit has been extended to me.

M. ADDITIONAL AGREEMENTS

1. The proceeds of this loan will be used only for the educational expense of the student listed at the school listed above. I understand that when you accept this signed Note, you are not agreeing to lend me money and that there will be no such agreement until the time the loan is actually disbursed. You have the right to lend an amount less than the Loan Amount Requested or to accept or reject my application. I will be required to repay only the amount you actually lend to me.
2. If this Note is assigned, the assignee will become the owner of this Note and as my creditor will have all the rights of the original lender to enforce this Note against me.
3. I understand that you are located in South Dakota and this Note will be entered into in South Dakota. Consequently, the provisions of this Note will be governed by federal laws and the laws of South Dakota without regard to conflict of law rules.
4. Upon receipt of the Disclosure Statement, I will review it and if I am not satisfied with the terms of my loan as approved, I may cancel this Note and all disbursements. To cancel this Note I will contact you within three days of receipt by me of the loan check and I will not cash any loan checks, or if funds are transmitted electronically, I will instruct my school, within three days of receipt by me of the Disclosure Statement, to return the funds to you.
5. I waive any notice of dishonor, notice of protest, presentment, demand for payment, and all other notices or demands in connection with this Note and consent to any and all extensions, renewals, or releases of any party liable upon this loan or any other loans I have outstanding under the program, or waiver or modification that may be granted by you, all without affecting or releasing the borrower or the cosigner(s) from such loans.
6. If any provision of this Note is held invalid or unenforceable, that provision shall be considered omitted from this Note without affecting the validity or enforceability of the remainder of this Note.
7. Any provision of this Note may be modified if jointly agreed upon in writing by you and me. Any modification will not affect the validity or enforceability of the remainder of this Note.
8. I understand that this loan is an educational loan and is made under a program which is funded in part by non-profit organizations, including the school, and as such, is not dischargeable in bankruptcy, except pursuant to 11 U.S. Code 523(a)8.
9. I acknowledge that I have received an exact copy of this Note.
10. I may not assign this Note or any of its benefits or obligations. You may assign this Note at any time. The obligations of this Note will be binding on my estate.
11. By accepting past due payments you do not waive or affect any right to accelerate this Note. Your failure to exercise any right hereunder does not constitute a waiver thereof. All waivers must be in writing.

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2. You hereby waive all your defenses to this Note based on suretyship.

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For the purpose of this certification, the words "I" and "me" refer to the School Official not the borrower. I hereby certify that the student named in Section A is accepted for enrollment or is enrolled and in good standing and making satisfactory progress in an educational program determined to be eligible for the MBA LOANS℠ Program, that the student is eligible for the loan, and that the "Authorized Loan Amount" does not exceed the student's cost of education (minus other financial aid). I further certify that the School will, at the request of the loan holder or servicer, provide the loan holder or servicer with subsequent information regarding the student's whereabouts, that the institution will comply with all applicable policies and provisions, and that the information provided in Sections A and B is true, complete and correct to the best of my knowledge and belief.

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